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D D / S R E G I S T R Y

FILE

P 5 JAN 1965

Agency Budget

MEMORANDUM FOR: Executive Director-Comptroller

THROUGH : Director of Budget, Program Analysis, and
ManpowerSUBJECT : Support Directorate Economy Report, September-
December 1964

1. Previous economy reports from the Support Directorate have indicated sizable man-year and dollar savings through significant actions which could be identified and measured. Although these actions generally appear to be fulfilling the anticipated goals, the point of diminishing returns has been reached insofar as major savings of a spectacular nature are concerned.

2. Office of Medical Services

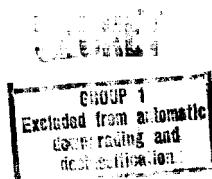
Reorganization and redesignation of the Medical Staff to the Office of Medical Services has resulted in more clearly defined executive and field support responsibilities within the Office of Medical Services. Annual savings are estimated at one man-year and \$20,000.

Renegotiation of two external contracts for psychological research resulted in \$11,000 being made available for other research activities.

The medical histories of the dependent wives of JOT applicants are now reviewed and this procedure should obviate costly Agency commitments resulting in subsequent assignment problems.

3. Office of Logistics

Continued efforts to reduce overtime costs have resulted in further annual savings of \$34,212 as compared with the same period during Fiscal Year 1964.



A revision of procedures for supply document reproduction has been developed and annual savings of \$12,000 are estimated.

4. Office of Personnel

Special emphasis has been placed upon the travel expenditures of field recruiters. In addition, applicants are being encouraged to visit field recruitment offices rather than having the recruiters visit the applicant. Estimated annual savings approximate \$10,000.

The Western Area JOT Screening Center was established about one year ago in order to effect economies in the selection and recruitment of JOT's. Unsuitable candidates are rejected in the field and this results in annual savings of \$36,000 through reduced travel costs.

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Twenty-two tons of structural steel with an estimated value of \$79,000 and lumber valued at \$15,000 has been obtained from surplus military stocks.

Workload statistics for both Headquarters [redacted] facilities reflected increased production without commensurate increases in personnel as compared with the same quarter during the preceding fiscal year.

6. Office of Security

Within the Intelligence Community, investigative agencies are now generally avoiding duplication through the mutual acceptance of each others' security determinations.

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[Redacted]

Identifiable savings of \$5,600 per year as compared with a similar quarter during the preceding fiscal year have been made in Office of Security overtime.

The Office of Security has absorbed one man-year and \$15,000 annually by detailing a technical security engineer to conduct technical inspections in Iron Curtain countries.

Numerous procedures have been improved resulting in tangible savings on telephone charges and paper work. These savings amount to approximately \$5,000 per year.

7. Office of Finance

Transfer of Account (T/A) documents formerly requiring the preparation of dispatches are now handled via transmittal manifests thus eliminating about 25 dispatches per month.

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[Redacted]

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SEC

Omit per RLB

In the interest of economy, investigative coverage for short periods of education, employment or residence, especially in isolated areas, is being eliminated where other coverage is completely favorable.

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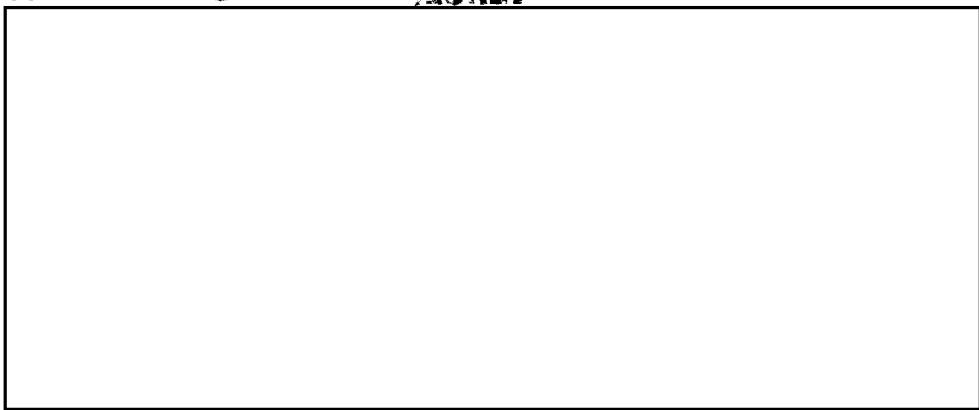
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7. Office of Finance

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SIGNED

R. L. Bannerman
Acting Deputy Director
for Support

Attachment:
Summary of Savings

SPA-DD/S:JHP:fmf (5 Jan 65)

Distribution:

Orig - Adse w/att (Return to DD/S)
1 - ER w/att
1 - D/BPAM w/att
2 - DD/S *Chrono. (Subject) 2-1 w/att*

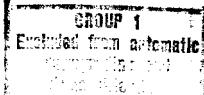
APR 1965

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Summary of Savings
Support Area
September - December 1964

Office	Action	Annual Savings	
		Man-Years	Dollar:
Medical	Reorganization	1	20,000
	External contracts - psychological research		11,400*
Logistics	Reduction in overtime		34,212
	Revision in procedures - supply document reproduction		12,000
Personnel	Reduced travel - field recruiters		10,000
	Reduced travel - Western Area JCT Screening Center		36,000
	Investment of MIA cases money with Agency proprietary		8,500
Training	Mobile crane obtained as surplus		30,000*
	Surplus structural steel and lumber obtained from military stocks		94,000*
Security			30,000
25X1	Reduction in overtime		5,000
	Technical Inspection workload absorbed	1	15,000
	Reduction in telephone charges and paper work		5,000
TOTALS		2	311,912

*Non-recurring



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TRANSMITTER		DATE
JHP CIA-RDP84-00780R000700060033-5		
TO: Mr. Bannerman		
ROOM NO:	BUILDING	
REMARKS:		
Recommend your signature.		
 JHP		
FROM:		
ROOM NO.	BUILDING	EXTENSION

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30/5/64-6513

cc 3569
24 DEC 1964

MEMORANDUM FOR: Deputy Director for Support
SUBJECT : Economy Measures - October-December 1964

During the past quarter there were no significant economy
measures effected within the Office of Communications.

[Redacted]
Director of Communications

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DD/S 64-6528

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MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Quarterly Report of Actions Taken in the
Interest of Increased Efficiency or
Economy - Second Quarter - FY 1965

In accordance with DD/S Administrative Notice No. 64-7, this memorandum contains information regarding items of interest in connection with this subject.

1. The DD/P and BPAM have accepted computer prepared management reports from obligation data gathered under the Financial Analysis Numbering System. These reports were formerly prepared manually in the various offices, therefore, there have been some savings in manpower all along the line from individual offices, major components and Agency levels.

2. During this quarter the preparation of dispatches to forward Transfer of Account (T/A) documents in connection with Credit Union

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[redacted] was discontinued and the T/A's consolidated with others received from decentralized certifying officers and forwarded via transmittal manifest thus eliminating from twenty to twenty-five dispatches per month.

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4. Adopted simplified methods for making and processing travel advances whereby all such advances are initially made from one type of funds, with appropriate subsequent adjustments between funds, and are controlled under a single procedure at Headquarters. Also adopted simplified procedures for processing travel vouchers and carriers' billings involving Government Transportation Requests.

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5. Streamlined and simplified procedures have been implemented in Office of Finance Registry by eliminating unnecessary operations, resulting in a more efficient and faster distribution of mail and a decrease in logging.

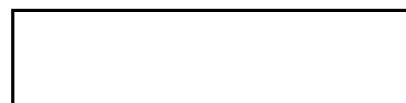
6. Simplified financial accounting for property procedures at Headquarters and in the field whereby separate control accounts are no longer required for property segregations by materiel units.

7. Adopted Agency regulatory provision whereby a 35% reduction of the maximum per diem rate will be effected when travel is for less than 24 hours and no lodgings are required.

8. In collaboration with the Special Assistant to the DD/S developed plans for a detailed systems survey of Agency personnel and payroll activities for the purpose of making more effective use of automatic data processing methods currently employed by the Agency.



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R. H. FUCHS
Director of Finance

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245 64-6479

24 DEC 1964

MEMORANDUM FOR: Deputy Director for Support
ATTENTION : Special Planning Assistant to the DDS
SUBJECT : Government Economy

1. This memorandum is for information only.
2. In accordance with the provisions of DDS Administrative Notice No. 64-7, dated 1 September 1964, the attached report is submitted concerning economy measures taken by the Office of Security during the four-month period, September-December 1964.
3. The Office of Security has no temporary or part-time staff personnel on duty as of this date.

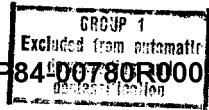


Howard J. Osborn
Director of Security

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Attachment:
As stated.

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OFFICE OF SECURITY ECONOMY MEASURES

(September - December 1964)

1. Security Within the Intelligence Community

Efforts are continuing to establish, wherever possible, uniform security criteria among the departments and agencies of the intelligence community. This not only enhances the protection of intelligence information and sources and methods but also results in the more effective administration of security programs through the sharing of assets and recognition of mutual responsibilities. Monetary savings are not readily discernible; however, chief financial gains are to be realized through the avoidance of duplication of investigative and other security actions. This is accomplished principally by departments accepting security determinations made by other departments.

The concerted and conscious effort to effect community security programs will undoubtedly result in long-range savings of both money and time. This will be related in actual dollar savings, wherever possible, in future reporting on economy measures.

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2.



b. In the interest of economy and within authorized limitations, investigative coverage has been eliminated for short periods of education, employment, or residence, particularly in remote or isolated areas, in cases where the remainder of the investigative coverage is completely favorable.

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3. Conservation of Equipment

a. As a result of internal stock inventories, the Technical Division was able to return to the Office of Logistics equipment valued at \$4,105.

b. The Personnel Branch of the Administration & Training Staff occupies Room 4E-63 and acts as the central repository for sensitive Security personnel records. While the fourteen safes containing these records are arranged to offer some obstacle to the casual observer, there is no actual barrier between the files and the many people for whom we are required to use this room as reception and waiting area. Further, it is necessary to use this room, because of space limitations, as interview site for all clerical and professional employees entering on duty and terminating employment with the Office. In the interest of efficiency and security, approval was obtained on 10 September 1964 to construct a secure area in Room 4E-63 for open-shelf filing. The cost of the secure area construction, including installation of an alarm system, has been estimated at \$1,850. The fourteen safes thus released are valued at \$2,744. Accordingly, the Agency will recognize a savings of approximately \$1,000. The actual construction of the secure area began on 8 December 1964.

c. Following a survey of available models, a different Card Punch Machine was selected to replace the one in use in the Special Security Center. The new model performs the same tasks at a lower rental fee amounting to a savings of some \$800.00 per year.

4. Training

a. One engineer completed a three week telephone course sponsored by the U. S. Air Force in Texas, designed to give students basic training in modern telephone key systems. It is anticipated that this individual will, in

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turn, instruct other Office personnel in this particular field at an estimated savings of \$500.00 per man. It is planned that within the next three months at least three additional employees will receive this training resulting in a further savings of \$1500.00.

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5. Reduction in Overtime

The Security Records Division, during this reporting period, reduced its overtime by approximately 400 hours over the same period in 1963. This overtime performed by GS-4's and GS-5's amounts to approximately \$1,400. This reduction in overtime is directly attributable to improved operating procedures.

6. Service and Repair of Equipment

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c. Again, during this period this Office has continued to maintain the capability for safe and lock repair within the Building Security Branch. This has substantially reduced the use of commercial contractors and has resulted in an estimated savings of \$200.00 during this reporting period.

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7. Interchange of Electronic Equipment

Continued to take advantage of established contacts with technical security counterparts in the intelligence community to obtain the loan of costly specialized electronic equipment, and where possible, loaned equipment to other interested members of the community. It is estimated that this resulted in a savings of possibly \$1,000 for the period.

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10. Travel

Efforts were continued to ensure that travel was planned to consolidate, wherever possible, security surveys and Special Security Center inspection trips in order to reduce travel costs.

11. Improved Security Equipment

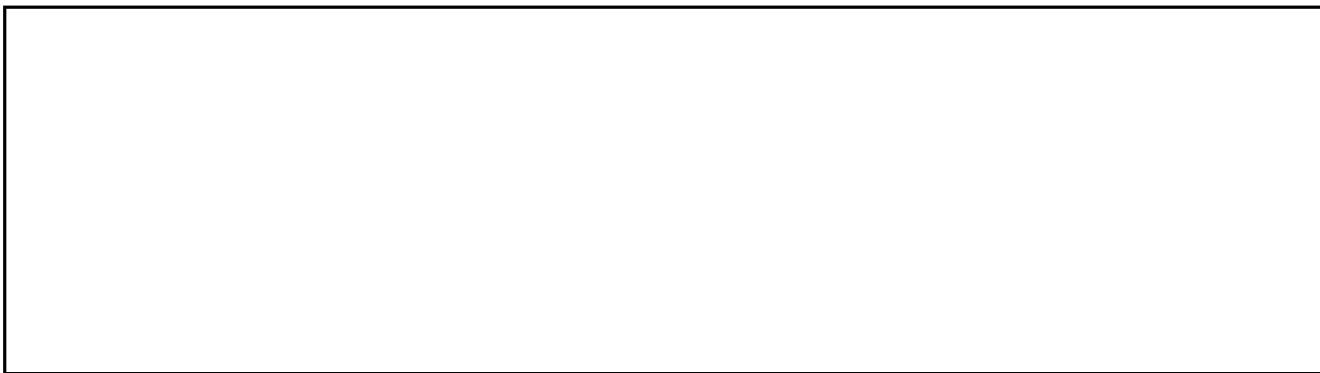
Continued to obtain the cooperation, on an informal basis, of specially qualified personnel in Government in order to exercise more effective

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direction of the development, testing, and evaluation of physical security equipment. This effort has in the past caused manufacturers of such equipment to undertake the development of improved and more secure equipment at their own expense.



13. Improved Practices and Procedures

a. Designed a form, "Authorization for Polygraph Interviews," eliminating telephone calls from Interrogation Research Division requesting approval to conduct interviews and providing permanent documentation in Security files. It is estimated that this will result in a savings of approximately \$6.00 per month.

b. Reduced the number of long-distance telephone calls [redacted] by holding requests until a minimum of five requests are received. It is estimated that this will result in a savings of approximately \$120.00 per month.

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c. Eliminated extra case routing and case logging by completing our "Integration of Employee Information" action on applicant cases at the time of basic appraisal. It is estimated that this will result in a savings of approximately \$100.00 per month.

d. Designed a rubber stamp for use on the Reinvestigation Program Supplemental PHS requesting the employee completing the PHS to furnish the extension and room number of his supervisor. This eliminates calls by OS personnel to obtain this information. It is estimated that this will result in a savings of approximately \$25.00 per month.

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e. Eliminated the necessity of preparing individual transmittal letters to the Office of Special Investigations, USAF, by the use of a form to forward summaries of Agency investigations to OSI. This has resulted in a saving of the preparation of approximately 20 individually written letters each month. It is estimated that this will result in a savings of approximately \$20.00 per month.

f. Devised a more efficient system for controlling the Reinvestigation Program cases through the use of the IBM cards currently in use on this program. The system permits us to immediately locate and determine the status of any RIP case and has also simplified the preparation of RIP monthly reports. It is estimated that this will result in a savings of approximately \$12.50 per month.

g. Designed a rubber stamp to record Clearance Branch action on Secret "ad hoc" requests. The stamp permits us to chronologically document all actions on this type of request, thereby reducing review time, eliminating inter-office routing slips and eliminating temporary file copies of requests to the FBI. It is estimated that this will result in a savings of approximately \$50.00 per month.

h. Obtained a rubber stamp to provide for the signature of the Assistant to the Director for Public Affairs, a signature to be placed on a number of publications, etc., submitted through the Office of Security. This proves a saving in the typing of endorsement information in the Employee Activity Branch. It is estimated that this will result in a savings of approximately \$10.00 per month.

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j. Processing time on investigative cases has been significantly reduced in the Security Records Division by reorganizational changes and by procedural changes. Backlogs ranging up to 1,000 cases at the end of August 1964 have been eliminated. The Security Records Division is now processing cases on a current daily basis.

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k. The Investigations Division has established a centralized control system in each Branch to monitor the flow of cases, assignments, and investigative reports. This new control procedure, in addition to expediting the flow of work, frees the individual supervisor of time-consuming clerical functions and allows him to devote more time to the purely professional aspects of his job.

l. The Investigations Division is presently conducting a survey of all types of forms which are in daily use. The purpose of this survey is to determine the feasibility of reducing the number of forms either by eliminating them because of obsolescence or infrequent use, or by revising the form with a view to consolidating many similar types of forms into a limited number of approved Agency forms.

m. As of 15 November 1964, certain carding of names contained in reports received in the Security Research Staff has been discontinued. It is estimated that this will save approximately 16 hours of clerical time at the GS-5 level per month, or \$40.00.

n. A change in the method of reproducing a monthly report within the Security Research Staff will result in an estimated savings of approximately \$15.00 per month. The digest is currently reproduced for an estimated \$5.00 per issue in the Security Records Division through use of offset printing. It previously cost approximately \$20.00 per month by utilizing copying machines.

o. The estimated savings under item 13, "Improved Practices and Procedures" totals \$398.50 per month or \$4,782 per year.

DDIS 64- 6543

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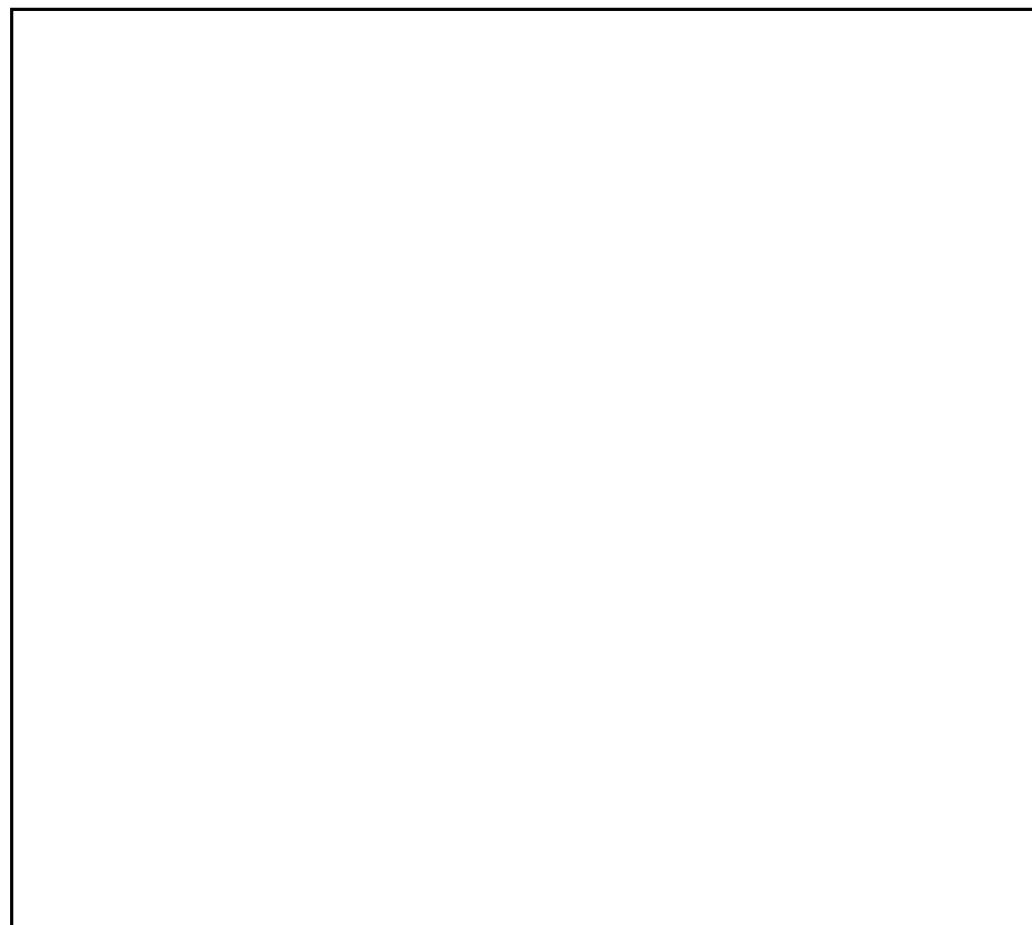
29 DEC 1964

MEMORANDUM FOR: Deputy Director for Support

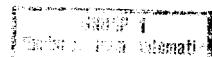
SUBJECT : Economy Actions within the Office of Training --
Second Quarter Fiscal Year 1965

1. During the second quarter of Fiscal Year 1965 the Office of Training took the following actions that resulted in savings to CIA or absorbed increase workloads without an increase in personnel:

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f. During this quarter the Intelligence Production Faculty provided 728 hours of scheduled class training to 156 students. During the same period in FY 64, with the



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the same number of instructors, the Faculty provided 636 hours of scheduled class training for 132 students. This increase reflects the beginning of the expansion of the JOT Programs.

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2. During this period proposals were made and approved that will remove from staff rolls 18 positions in the Language Training Faculty. An attendant savings in salaries is expected in the last half of FY 65 or the first of FY 66.

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MATTHEW BAIRD
Director of Training

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EYES ONLY

24 DEC 1964

MEMORANDUM FOR: Special Planning Assistant to the Deputy Director
for Support

SUBJECT : Economy Controls

REFERENCE : DD/S Administrative Notice No. 64-7 dtd 1 Sep 64,
Subject: Quarterly Economy Reports

1. The following information is furnished covering Office of
Personnel savings from 9 September 1964 through 23 December 1964:

a. Field recruiters are being instructed to further
organize their interviewing trips in such a way as to
achieve even greater results for as few travel dollars as
possible. In addition, we are encouraging wherever feasible
that applicants visit our field recruitment offices instead
of the recruiter expending funds to take a short trip to the
applicant. We estimate our savings over the year to approxi-
mate \$10,000.

b. The Western Area JOT Screening Center was established
in January 1964 in order to effect actual dollar savings by
screening many JOT applicants nearer to their homes thus reducing
travel and other related costs. Rejecting unsuitable candidates
and only referring to Headquarters those applicants who can
qualify has resulted in a savings of approximately \$3,000 a
month or \$36,000 per annum.

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2. We will, of course, continually examine our current programs
and operating procedures to ensure that the maximum results are being
obtained for the minimum expenditure of funds.

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Emmett D. ECHOLS
Director of Personnel

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EYES ONLY

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28 DEC 1964

MEMORANDUM FOR: Special Planning Assistant to the DD/S

SUBJECT: Quarterly Economy Report for the Office of Logistics--
Second Quarter, Fiscal Year 1965

REFERENCE: Memorandum from Acting D/L to SPA-DD/S, Subject:
Quarterly Economy Report for the Office of Logistics--
First Quarter, Fiscal Year 1965, dated 8 Sept. 1964

1. The following positive actions were taken to reduce logistics support costs during the quarter ending 31 December 1964:

ILLEGIB ✓ a. Overtime costs were reduced to \$42,434 which is \$8,553 less than was utilized during the same period in fiscal year 1964.

[redacted] b. Revision of shuttle bus schedules permitted elimination of six personnel positions and reduced operating costs by nearly \$5,500.

25X1 c. As a result of moving Cargo Branch, Transportation Division, [redacted] we were able to consolidate files which, in turn, eliminated requirements for seven 4-drawer safes valued at \$3,760.

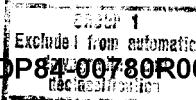
d. Close screening of surplus items made available by other Government agencies resulted in our acquisition of needed material at a cost reduction of more than \$580,000.

e. We continued to stress, successfully, the Employee Suggestion Program. For example, one Logistics Services Division employee has suggested modifications to the pneumatic tube system which will result in savings of more than \$7,000.

2. Actions initiated during this period which will result in reportable economies in the future are:

a. Effective 4 January 1965, the Cargo Branch/Transportation Division, the Depot Stock Control Branch/Supply Division, and the personnel presently assigned [redacted] are reorganized under a Depot Commander. This action will result in greater efficiency and economy in all depot operations as well as reduction in personnel ceiling.

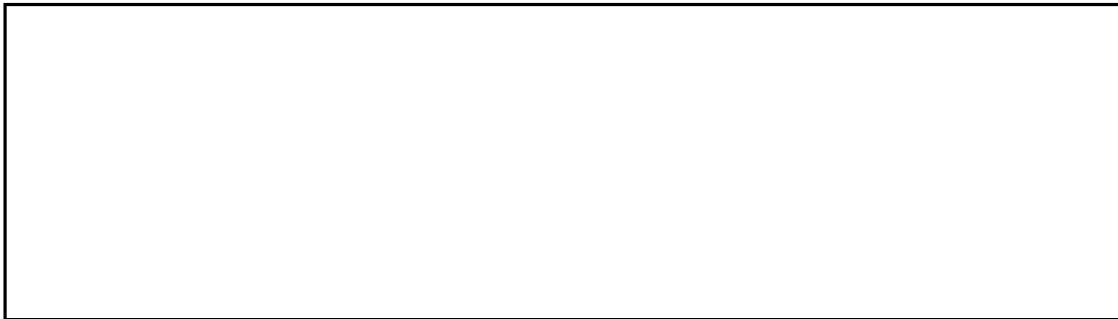
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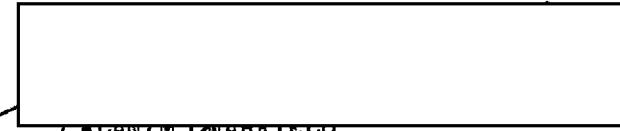
SUBJECT: Quarterly Economy Report for the Office of Logistics--
Second Quarter, Fiscal Year 1965

b. A revision in our internal supply document reproduction system will become effective next quarter. We will realize savings of more than \$12,000 annually through substitution of a Bruning Copyflex machine, now on order, for the Xerox system presently in use.



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3. On 28 December, there were three part-time (WAE) and two temporary employees on duty in the Office of Logistics.



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JOHN M. COWARD, JR.
Director of Logistics

29 December 1964

MEMORANDUM FOR: Deputy Director for Support
SUBJECT : Economy Report, September-December 1964
REFERENCE : DD/S Administrative Notice No. 64-7, dated 1 September 1964

1. Progress on economy efforts in the Office of Medical Services for the period of September through December 1964 is outlined below.

2. Manpower

a. On-duty strength has never exceeded the new FY 1965 ceiling even though this ceiling is not restrictive until 30 June 1965. We have, moreover, within our on-duty capability absorbed four (4) SD:SM personnel whose positions with the Clandestine Services were discontinued.

b. In November a new Field Support Staff and Executive Staff were established in the Office of Medical Services. The five (5) positions for these new elements were provided from the existing ceiling authorization by consolidating duties elsewhere in the office. In addition to a greater procedural efficiency, it is estimated that a net saving of one (1) man year resulted from this reorganization.

c. Part-time personnel count as of date of this report is fourteen (14). There are no temporary personnel.

3. Dollar Savings

a. Continuing close scrutiny has kept supply and equipment obligations down. In this area a comparison of the first six months of FY 1964 and FY 1965 reveals the following:

FY 1964 (Jul-Dec)	\$16,150
FY 1965 (Jul-Dec)	\$11,480

b. In order to make additional funds available for other types of psychological research and still remain within our present budgetary allocation, two external contracts of the Assessment and Evaluation Staff were renegotiated making some \$11,000 available for new types of research activities.

SUBJECT: Economy Report, September-December 1964

4. Improved Procedures

a. During the current quarter a new procedure was adopted wherein the medical histories of the dependent wives of JOT applicants -- external and internal -- are reviewed. This procedure should help to surface future assignment problems before the Agency commits itself to the lengthy and costly matriculation of JOTs.

b. Also during this quarter the changeover in our Registrar File Room from the heavy and bulky addressograph plates (for each Agency employee) to the small plastic plates was completed. This will mean a simpler and more efficient stamping operation, economy of storage, and greater ease of handling. It will also be cheaper: the metal plates cost \$37.57 per 1,000 whereas the plastic plates cost \$19 per 1,000. Since some 4,000 plates are stamped each year, an annual saving of \$76, although modest, does represent a 50% reduction in this cost.

c. Our effort toward the automation of our medical records system continued with a full-time medical administrative officer -- from our existing personnel capabilities -- now working on this project.

d. The Annual and Executive Physical Examination Program mentioned in our last quarterly report continued to develop well. A comparison of the first two quarters reveals the planned increase in this type of examination:

1st Quarter FY 1965	85
2nd Quarter FY 1965	116

JOHN R. TIETJEN, M.D.
Director of Medical Services

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